Case 08-32366-rld11 Doc 268 Filed 04/30/09

UNITED STATES BANKRUPTCY COURT DISTRICT OF OREGON

In re)
) Case No
)) RULE 2014 VERIFIED STATEMENT
Debtor(s)) FOR PROPOSED PROFESSIONAL

- 1. The applicant is not a creditor of the debtor except:
- 2. The applicant is not an equity security holder of the debtor.
- 3. The applicant is not a relative of the individual debtor.
- 4. The applicant is not a relative of a general partner of the debtor (whether the debtor is an individual, corporation, or partnership).
- 5. The applicant is not a partnership in which the debtor (as an individual, corporation, or partnership) is a general partner.
- 6. The applicant is not a general partner of the debtor (whether debtor is an individual, corporation, or partnership).
- 7. The applicant is not a corporation of which the debtor is a director, officer, or person in control.
- 8. The applicant is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of the debtor.
- 9. The applicant is not a person in control of the debtor.
- 10. The applicant is not a relative of a director, officer or person in control of the debtor.
- 11. The applicant is not the managing agent of the debtor.
- 12. The applicant is not and was not an investment banker for any outstanding security of the debtor; has not been, within three years before the date of the filing of the petition, an investment banker for a security of the debtor, or an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of the debtor; and is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of such an investment banker.
- 13. The applicant has read 11 U.S.C. §101(14) and §327, and FRBP 2014(a); and the applicant's firm has no connections with the debtor(s), creditors, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, or any District of Oregon Bankruptcy Judge, except as follows:
- 14. The applicant has no interest materially adverse to the interest of the estate or of any class of creditors or equity security holders.

15.	Describe details of all payments made to you by either the debtor or a third party for any services rendered on the debtor's behalf within a year prior to filing of this case:
16.	The debtor has the following affiliates (as defined by 11 U.S.C. §101(2)). Please list and explain the relationship between the debtor and the affiliate:
17.	The applicant is not an affiliate of the debtor.
18.	Assuming any affiliate of the debtor is the debtor for purposes of statements 4-13, the statements continue to be true except (list all circumstances under which proposed counsel or counsel's law firm has represented any affiliate during the past 18 months; any position other than legal counsel which proposed counsel holds in either the affiliate, including corporate officer, director, or employee; and any amount owed by the affiliate to proposed counsel or its law firm at the time of filing, and amounts paid within 18 months before filing):
19.	The applicant hereby acknowledges that he/she has a duty during the progress of the case to keep the court informed of any change in the statement of facts which appear in this verified statement. In the event that any such changes occur, the applicant immediately shall file with the court a pleading to which the original verified statement filed with the court is attached and which describes, by statement paragraph, those changes which have occurred.
	FOLLOWING QUESTIONS NEED BE ANSWERED ONLY IF AFFILIATES HAVE BEEN LISTED STATEMENT 16.
20.	List the name of any affiliate which has ever filed bankruptcy, the filing date, and court where filed:

21.	List the names of any affiliates which have guaranteed debt of the debtor or whose debt the debtor has guaranteed. Also include the amount of the guarantee, the date of the guarantee, and whether any security interest was given to secure the guarantee. Only name those guarantees now outstanding or outstanding within the last 18 months:
22.	List the names of any affiliates which have a debtor-creditor relationship with the debtor. Also include the amount and date of the loan, the amount of any repayments on the loan and the security, if any. Only name those loans now outstanding or paid off within the last 18 months:
23.	List any security interest in any property granted by the debtor to secure any debts of any affiliate not covered in statements 20 and 21. List any security interest in any property granted by the affiliate to secure any debts of the debtor not covered in statements 21 and 22. Also include the collateral, the date and nature of the security interest, the name of the creditor to whom it was granted, and the current balance of the underlying debt:
24.	List the name of any affiliate who is potentially a "responsible party" for unpaid taxes of the debtor under 26 U.S.C. §6672:
	I verify that the above statements are true to the extent of my present knowledge and belief.
	Applicant Applicant

Kotsyubchuk, Slavic and Tanya Case No. 08-32366-rld11

Rule 2014 Verified Statement.

Exhibit 1.

16. The debtor has the following affiliates (as defined by 11 U.S.C. $\S101(2)$). Please list and explain the relationship between the debtor and the affiliate:

Slavco, Inc. - Debtors are sole shareholders.

Slavco Trucking, Inc. - Debtors are sole shareholders.

Slavco Group, LLC - Debtors are sole members.

Slavco Custom Homes, LLC - Debtors are sole members (administratively dissolved May 2007).

Home & Land LLC - Debtors are sole members.

Western Star Investments, LLC - Debtors are sole members (administratively dissolved in February 2006)

Kotsyubchuk, Slavic and Tanya Case No. 08-32366-rld11

Rule 2014 Verified Statement.

Exhibit 2.

21. List the names of any affiliates which have guaranteed debt of the debtor or whose debt the debtor has guaranteed. Also include the amount of the guarantee, the date of the guarantee, and whether any security interest was given to secure the guarantee. Only name those guarantees now outstanding or outstanding within the last 18 months:

Slavic Kotsyubchuk cosigner for Slavco, Inc. to:

Volvo Financial Services PO Box 26131 Greensboro, NC 27402-6131 Account No. 502-7566940-001 Contract date: July 10, 2007

Balance: \$120,000.00 Payment: \$2,534.74

Diversified Financial Services, LLC PO Box 95662 Chicago, IL 60694 Account No. 170-0148700-001

Contract date: 7/12/2007 Amount Financed: \$24,795.00

Payment: \$607.77

Toyota Financial 750 SE 122nd Portland, OR 97233

Contract Date: 8/21/2007

Security: 2007 Toyota Tundra 4x4 pickup

Amount: \$34,365.00

Toyota Financial 750 SE 122nd Portland, OR 97233

Lease Contract Date: 9/13/2007 Account No. 03 066268515

Payment: \$486.38

Komatsu Financial PO Box 5050 Rolling Meadows, IL 60008 Account No. 7770115300.000

Date: 9/26/2007 Amount: \$65,250.00 Payment: \$1,160.55

Slavic and Tanya Kotsyubchuk cosigners for Slavco Trucking, Inc. to:

Paccar Financial Corp.

PO Box 2374

Denton, TX 76202

Account No. 100-693-150-00005869730

Contract Date: 5/29/2008 Amount: \$114,449.00 Payment: \$2,300.00

Paccar Financial Corp.

PO Box 2374

Denton, TX 76202

Account No. 100-693-150-00005877063

Contract Date: 6/18/2007 Amount: \$114,810.00 Payment: \$2,329.00

Paccar Financial Corp.

PO Box 2374

Denton, TX 76202

Account No. 100-693-150-00005879101

Contract Date: 6/25/2007 Amount: \$114,810.00 Payment: \$2,329.00

City Capitol PO Box 6229

Carol Stream, IL 60197 Amount: \$235,593.00 Payment: \$4,386.00 Kotsyubchuk, Slavic and Tanya Case No. 08-32366-rld11

Rule 2014 Verified Statement.

Exhibit 3.

22. List the names of any affiliates which have a debtor-creditor relationship with the debtor. Also include the amount and date of the loan, the amount of any repayments on the loan and the security, if any. Only name those loans now outstanding or paid off within the last 18 months:

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Slavco Trucking, Inc

6/5/2008 2;46 PM

Register: Loan Tanya Kotsyubchuk From 05/17/2007 through 06/05/2008 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Мето	Increase	C Decrease	Balance
05/17/2007		Tanya Kotsyubchuk	Washington Mutual Ba	I can to company	300.00		200.00
05/17/2007		Tanya Kotsyubchuk	Washington Mutual Ba		10,000.00		300.00
05/30/2007		Tanya Kotsyubchuk	Washington Mutual Ba		7,000.00		10,300.00
06/20/2007	6101488	Tanya Kotsyubchuk	Washington Mutual Ba		15,000.00		17,300.00
06/29/2007	6101498	Tanya Kotsyubchuk	Washington Mutual Ba	• -	Ÿ		32,300.00
07/25/2007	109	Tanya Kotsyubchuk	Washington Mutual Ba	,	15,000.00		47,300.00
09/07/2007	2622	Tanya Kotsyubchuk	Washington Mutual Ba	•	60,000.00		107,300.00
	1110	Tanya Kotsyubchuk	Washington Mutual Ba	-	15,000.00	5 000 00	122,300.00
10/05/2007		Tanya Kotsyubchuk	Washington Mutual Ba	•	20,000,00	5,000.00	117,300.00
10/19/2007	1186	Tanya Kotsyubchuk	Washington Mutual Ba	•	20,000.00		137,300.00
11/08/2007	1287	Tanya Kotsyubchuk	Washington Mutual Ba	-		5,000.00	132,300.00
11/13/2007		Tanya Kotsyubchuk	Washington Mutual Ba	•		5,000.00	127,300.00
11/20/2007	/-	Tanya Kotsyubchuk	Washington Mutual Ba	<u>-</u>	10.000.00	3,000.00	124,300.00
1/21/2007	1322	Tanya Kotsyubchuk		=	10,000.00	70,000,00	134,300.00
	1349	Tanya Kotsyubchuk	Washington Mutual Ba	-		10,000.00	124,300.00
2/15/2007	1332	Tanya Kotsyubchuk	Washington Mutual Ba	•		5,000.00	119,300.00
2/19/2007		Tanya Kotsyubchuk	Washington Mutual Ba	-		5,000.00	114,300.00
1/09/2008	1201	anya Kotsyubchuk	Washington Mutual Ba	. •		10,000.00	104,300.00
	1423	•	Washington Mutual Ba	•		3,000.00	101,300.00
1/14/2008		Tanya Kotsyubchuk	Washington Mutual Ba	=		4,000.00	97,300.00
1/14/2008		Tanya Kotsyubchuk	Washington Mutual Ba	r .		4,000.00	93,300.00
		Tanya Kotsyubchuk	Washington Mutual Ba			1,500.00	91,800.00
	848721	Tanya Kotsyubchuk	Washington Mutual Ba	•	25,000.00	4	116,800.00
	1443	Tanya Kotsyubchuk	Washington Mutual Ba	-		15,000.00	101,800.00
	1471	Tanya Kotsyubchuk	Washington Mutual Ba	-		7,000.00	94,800.00
2/21/2008		Tanya Kotsyubchuk	Washington Mutual Ba	·	•	1,000.00	93,800.00
	1489	Tanya Kotsyubchuk	Washington Mutual Ba	•		1,000,00	92,800.00
3/20/2008 ·		Tanya Kotsyubchuk	Washington Mutual Ba	-		3,000.00	89,800.00
3/20/2008		Tanya Kotsyubchuk	Washington Mutual Ba			2,000.00	87,800.00
	236	Tanya Kotsyubchuk	Washington Mutual Ba	.,	15,000.00		102,800.00
	1551	Tanya Kotsyubchuk	Washington Mutual Ba	•		2,000.00	100,800.00
3/27/2008		Tanya Kotsyubchuk	Washington Mutual Ba	•		3,000.00	97,800.00
	1571	Tanya Kotsyubchuk	Washington Mutual Ba			3,500.00	94,300.00
4/11/2008		Tanya Kotsyubchuk	Washington Mutual Ba	•	* *	7,000.00	87,300.00
	1589	Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		3,000.00	84,300.00
	1592	Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		7,000.00	77,300.00
	1556	Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		3,000.00	74,300.00
4/30/2008		Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		2,000.00	72,300.00
	1608	Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		4,000.00	68,3 <u>00.00</u>
5/09/2008	1631	Tanya Kotsyubchuk	Washington Mutual Ba	Loan Payoff		3,000.00	65,300.00
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2:34 PM 06/05/08 Accrual Basis

Slavco Rock Products Invoices for Slavic Kotsyubchu All Transactions

Num	Date	Due Date	Aging	Amount	Open Balance
567	2/20/2008	3/10/2008	87	16.500.00	16,500,00
566	2/15/2008	3/10/2008	87	19,000.00	19,000,00
75	10/26/2007	11/5/2007	213	60.56	60.56
76 _.	10/26/2007	11/5/2007	213	393.23	393.23
68	7/26/2007	8/5/2007	305	6.433.50	6.433.50
49	6/15/2007	6/25/2007	346	4,799.50	4,799.50
44	6/13/2007	6/13/2007	358	175.00	175.00
38	5/23/2007	6/2/2007	369	528,00	528:00
15	4/5/2007	4/15/2007	417	24,932.68	24,932.68
Total				72,822.47	72,822.47

Slavic two Slavco, Inc

Slavco Rock Products

6/5/2008 2:31 PM

Register: 22000 · Loan Slavic Kotsyubchuk From 12/04/2006 through 06/05/2008

Date	Number	Payee	Account	Memo	Increase C	Decrease	Balance
12/04/2006		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	200.00		200.00
01/10/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	10,000.00		
04/26/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Comap	481.00		10,200.00
05/18/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	5,000.00		10,681.00
06/04/2007	2093	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	5,000.00		15,681.00 20,681.00
07/10/2007	2178	Slavic S Kotsyubchuk	Umpqua Bank	Loan to company	5,000.00		25,681.00
07/12/2007	2179	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	5,000.00		30,681.00
07/17/2007	2362	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	7,000.00		37,681.00
07/19/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff	7,000.00	8,000.00	29,681.00
08/03/2007	2186	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	5,000.00	8,000.00	34,681.00
08/08/2007	2188	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	5,000.00		39,681.00
08/15/2007	2555	Slavic S Kotsyubehuk	Umpqua Bank	Loan to Comap	5,000.00		44,681.00
08/24/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	7,220.00		51,901.00
09/04/2007	2572	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	3,000.00		54,901.00
10/05/2007	1157	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	3,000.00		57,901.00
0/09/2007	2631	Slavic S Kotsyubchuk	Umpqua Bank	Loan to Comap	3,000.00		60,901.00
.0/12/2007		Slavic S Kotsynbchuk	Umpqua Bank	Loan Payoff		7,000.00	53,901.00
1/21/2007		Slavic S Kotsynbchuk	Umpqua Bank	Loan to Compa	5,000.00	-	58,901.00
2/26/2007		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	6,000.00		64,901.00
1/02/2008		Slavie S Kotsyubchuk	Umpqua Bank	Loan to Compa	2,000.00		66,901.00
1/15/2008		Slavic S Kotsynbchuk	Umpqua Bank	I.oan Payoff		500.00	66,401.00
2/11/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	1,500.00		67,901.00
3/07/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	3,000.00		70,901.00
3/10/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	500.00		71,401.00
3/11/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	2,500.00		73,901.00
3/14/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	1,000.00		74,901.00
3/21/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	2,000.00		76,901.00
4/04/2008	2524	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff	• •	2,000.00	74,901.00
4/04/2008	2525	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff		1,000.00	73,901.00
4/11/2008	2546	Slavic S Kotsyubehuk	Umpqua Bank	Loan Payoff		57,000.00	16,901.00
4/16/2008	2568	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff		4,000.00	12,901.00
4/17/2008	2570	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff		2,500.00	10,401.00
5/08/2008		Slavic S Kotsyubchuk	Umpqua Bank	Loan to Compa	14,000.00		24,401.00
5/21/2008	5065	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff		5,000.00	19,4 01.00 -
5/21/2008	5063	Slavic S Kotsyubchuk	Umpqua Bank	Loan Payoff		6,000.00 {	13,401.00

Slavco, Inc owes slavic Kotsyubchuk, Slavic and Tanya Case No. 08-32366-rld11

Exhibit 4 to Amended Rule 2014 Verified Statement

14. The applicant has no interest materially adverse to the interest of the estate or of any class of creditors or equity security holders.

There is no interest materially adverse to the interest of the estate. However, Applicant has provided Debtors with a letter outlining a potentially adverse interest concerning a former attorney/employee's representation of the Debtor in litigation. Debtors have been advised to get independent legal advice concerning this matter. Debtor has agreed to continue using the professional services of the Applicant.

Debtors have been notified that the potentially adverse interest involves litigation wherein a Applicants' former attorney/employee failed to allege that the plaintiffs' claims may have been time barred by the applicable statute of limitations and that defense was not presented to the court in the initial pleading and therefore may have been waived. Debtors have been notified that there is no assurance that the claims would have been barred by the applicable statute of limitations, merely that the possibility existed. The Applicant has also notified Debtors that they may have a claim against the attorney for their attorneys' fees and costs should the Applicant continue as counsel in the same matter. In addition, Applicant has notified Debtors that they may have a claim against Applicant in vicarious liability/respondeat superior for the former attorneys' omissions. However, Applicant notes that such a claim is very unlikely in that the experienced attorney was the only person who worked on the case. Applicant has notified the Debtors that the Applicant no longer employs the attorney. The potential claim would amount to less than the former attorney/employee's basic professional liability policy limit of \$300,000.

Jessica S. Cain Of Attorneys for Debtors-in-Possession Gunn Cain & Kinney LLP 700 Deborah Road, Suite 250 Newberg, OR 97132

Phone: (503) 538-8318 Fax: (503) 537-0591

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF OREGON

In re:

SLAVIC S. KOTSYUBCHUK and TANYA F. KOTSYUBCHUK,

Debtors-in-Possession.

Case No.: 08-32366-rld11

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing Amended Rule 2014 Verified

Statement of Proposed Professional on:

All County Surveyor and Planners Inc. Dale L. Hult, President PO Box 955 Sandy, OR 97055

Bankruptcy Exchange Inc 2952 Seneca St West Seneca, NY 14224

Executive Financial Solutions, Inc. Ella Gurfinxel, President 4942 NW 146th Pl. Portland, OR 97229

IRS Insolvency Group III M/S O240 1220 SW 3rd Ave Portland, OR 97204

May & Associates, Inc. 12945 SW 135th Avenue Tigard, OR 97223

ODR Bkcy 955 Center St NE Salem, OR 97301-2555

Amy Joseph Pedersen Stoel Rives 900 SW Fifth, Suite 1600 Portland, OR 97204

Recovery Management Systems Corporation 25 SE 2nd Avenue, Suite 1120 Miami, FL 33131

Volvo Financial Services c/o Lawrence Cooper 7025 Albert Pick Rd #105(27409) POB 26131 Greensboro, NC 27402

Want & Emery CPAs PC PO Box 1029 Newberg, OR 97132 by mailing a copy of said documents to each of them in a sealed envelope, addressed to each of them at his or her last known address. Said envelopes were deposited in the Post Office at Newberg, Oregon, on April 30, 2009, postage prepaid.

The following were served electronically by the Court on April 30, 2009:

Thomas K. Hooper for FMCC and Key Bank

Via ECF: <u>bmail@hooplaw.com</u> and csayles@hooplaw.com

Joe Lozano for Litton Loan Servicing, LP, Bank of America and Kubota Credit Corporation

Via ECF: notice@bkcylaw.com

David E. McAllister for Homecomings Financial and National City Mortgage, Co.

Via ECF: ecforb@piteduncan.com

Scott Hutchinson for National Banking Association and National City Bank Via ECF: <u>ecforb@piteduncan.com</u>

Brandy A. Sargent for Jennifer Thompson and Joseph Martinez

Via ECF: <u>basargent@stoel.com</u> and docketclerk@stoel.com

John D. Schlotter for Litton Loan Servicing, L.P. and America's Servicing Company Via ECF: bkmail@mrdefault.com

Matthew R. Cleverley for Aurora Loan Services

mcleverley@mccarthyholthus.com and amichael@mccarthyholthus.com

Lisa M. McMahon-Myhran for Saxon

Mortgage Services

Via ECF:

Via ECF: ecfor@rcflegal.com

Dean Prober for Countrywide Home Loans Servicing, LP

Via ECF: cmcnamara@pprlaw.net and

David B. Schumacher for Greenpoint

Mortgage Funding, Inc.

Via ECF: schulaw@comcast.net

Kelly D. Sutherland for Citibank, NA as trustee for Structured Asset Securities Corp OCWEN

Via ECF: <u>s&k-or.ecf.wa@logs.com</u> and crocha@logs.com

Ted A. Troutman for Suresh Paranjpe Via ECF: <u>tedtroutman@sbcglobal.net</u> and rusty@muir-troutman.com

U.S. Trustee, Portland Via ECF:

USTPRegion18.PL.ECF@usdoj.gov

Gilbert B. Weisman for American Express Bank FSB

Via ECF: notices@becket-lee.com

Jennifer L. Aspaas for Bank of America, Citibank, Litton Loan Servicing and America's Servicing Company Via ECF: ecfor@rcflegal.com

Jason M. Ayres for Elroy Prosch Via ECF: <u>jayres@fwwlaw.com</u> and

cmontee@fwwlaw.com

DATED: April 30, 2009 GUNN CAIN & KINNEY LLP

/s/ Jessica S. Cain

Jessica S. Cain, OSB #030857 Attorney of Record for Debtors-in-Possession